Effect of NRIs Income on GDP

†3288. SHRI RAM JETHMALANI:
SHRI KAPIL SIBAL:

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that the income accrued as a result of business, jobs etc. by Indians in foreign countries has an impact on Gross Domestic Product of the country;

(b) if so, the contribution of such income in the Gross Domestic Product during 2000-2001, 2001-2002 and 2002-2003;

(c) whether there are possibilities of an increase in this income; and

(d) if so, the details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (d) Private remittances from Non Resident Indians are not reflected in the national income as they constitute transfer payments *i.e.* income received by the recipient for which no service is rendered. However, inflows on account of net factor incomes earned by Indian enterprises/nationals from abroad are reflected in the Gross National Product (GNP). The data on gross domestic product (GDP), net factor income from abroad and GNP at current prices upto 2002-03 based on Advance Estimates of National Income released by the Central Statistical Organisation are as follows :

	(at current prices) (Rs. crore)		
	2000-01	2001-02	2002-03
GDP at factor cost	1917724	2094013	2236128
GNP at factor	1900310	2081350	2217816
Net factor income from abroad	–17414	–12663	–18312

Implementation of priority sector lending by SBI

3289. SHRI S.M. LAL JAN BASHA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that State Bank of India is not paying sufficient attention to priority sector guidelines of RBI;

†Original notice of the question was received in Hindi.

(b) if not, to what extent State Bank of India is observing various guidelines issued by RBI for priority sector lending;

(c) whether it is a fact that complaints have been made in Andhra Pradesh on such matters;

(d) if so, the details thereof; and

(e) the corrective steps proposed to ensure that State Bank of India implements RBI priority sector lending?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) State Bank of India (SBI) has reported that all guidelines issued by Reserve Bank of India (RBI) for Priority Sector Lending are being followed by their branches. According to RBI Priority Sector Lending (Outstanding Advances) of SBI as on last reporting Friday of September 2002 (latest available data) was as under :

	Outstanding advances in Rs. crore (with percentage to NBC)
Net Bank Credit (NBC)	103466.99
Total Priority Sector Lending	41967.61
(Target–40% of NBC)	(40.56% of NBC)
Total Agriculture Advances	15864.90
(Target–18% of NBC)	(15.06% of NBC)
SSI Advances	11926.46
Advances to weaker sections	7204.06
(Target–10% of NBC)	(6.96% of NBC)

(Data provisional)

Whereas SBI had achieved the overall target of Priority Sector Lending (40%), there is shortfall in achieving the sub-targets for agriculture and weaker section.

(c) All branches of SBI in Andhra Pradesh are following RBI's guidelines in this regard. RBI has also not received any complaint in this regard.

(d) Does not arise.

(e) RBI has reported that on the basis of performance of SBI in lending to Priority Sector pertaining to September 2002, SBI was advised by them in December 2002 to initiate appropriate measures to improve the lending in agriculture and weaker section.